



Employee Sentiment Index: Q2 2022

Australia | ELMO Software | April – June 2022



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Summary



The ELMO Employee Sentiment Index offers an insight into the actions, attitudes and behaviours of Australian workers. The report provides a quarterly analysis of the prevailing sentiment within the workforce to track changes in perceived job security and the employment landscape.

The April to June 2022 ELMO Employee Sentiment Index revealed:

- More employees perceive the economy as not secure - this has risen by seven percentage points since Q1 (Q2 2022 36%; cf. Q1 2022 29%)
- Less employees are considering a career change (Q2 2022 25%; cf. Q1 2022 29%) or actively searching for a new role in another company (Q2 2022 15%; cf. Q1 2022 17%).
- Support for increasing the minimum wage is incredibly high among Australian workers with almost nine out of ten (87%) workers supporting it.
- Cost of living pressures: Australian workers are finding petrol, housing and groceries to be top three hardest things to afford in Q2 2022.
- If they were to cut costs, they would do so by reducing spending on clothing (27%) – peaking for NSW workers (31%).

Methodology



The ELMO Employee Sentiment Report was initiated to gain data and insights into the attitudes, actions and concerns of employees

Respondents were asked to reflect on the three-month period between April 2022 to June 2022.

The research was commissioned by ELMO Software and conducted by Lonergan Research in accordance with the ISO 2052 standard.

Lonergan Research surveyed 1,037 Australian workers aged 18 years and over

between 14 April 2022 and 22 June 2022. The research was conducted through a 14-question online survey. Respondents were members of a permission-based panel, geographically disbursed throughout Australia including both capital city and non-capital city areas.

After surveying, data was weighted to the latest population estimates sourced from the Australian Bureau of Statistics.



Q2 2022 (April - June) Analysis

Perceived Security

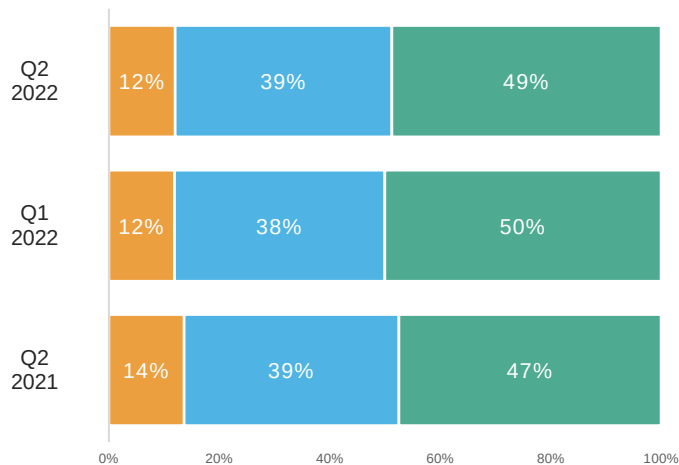
More Australian employees are perceiving the economy as not secure – rising by seven percentage points since Q1 (Q2 2022 36%; cf. Q1 2022 29%). This is also now close to double the number of Australians who felt this in Q2 last year (19%).

In good news - the perceived security of Australian employees' jobs, industries and organisations have remained stable (Job Q2 2022 49%; cf. Q1 2022 50%, Industry Q2 2022 50%; cf. Q1 2022 52%,

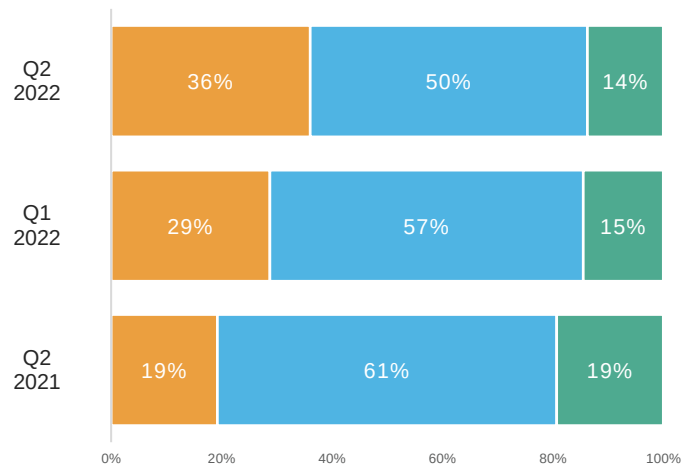
Organisation Q2 2022 51%; cf. Q1 2022 50%) .

The healthcare industry has the highest level of perceived security in their industry - increasing to almost three quarters of these workers (70%; cf. national average 50%).

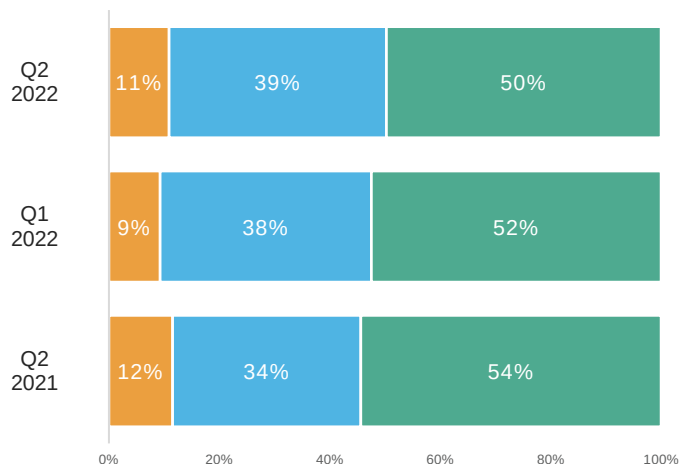
Job Security



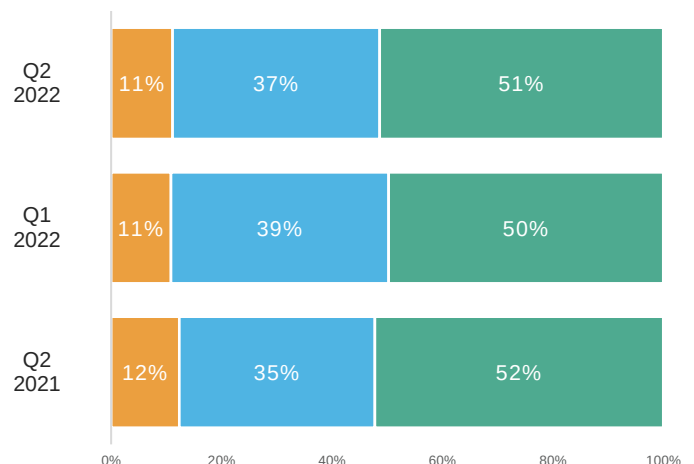
Economic Security



Industry Security



Organisational Security



Not Secure (1-4) Neutral (5-7) Secure (8-10)

Q4. On a scale of 1 - 10, where 1 is not at all secure and 10 is extremely secure, how would you rate your feelings of security with each of the following?

Australian Workers (n = 1037) // Q1 2022 (n = 1016) // Q2 (n = 1039)

*Indicative only due to small sample size

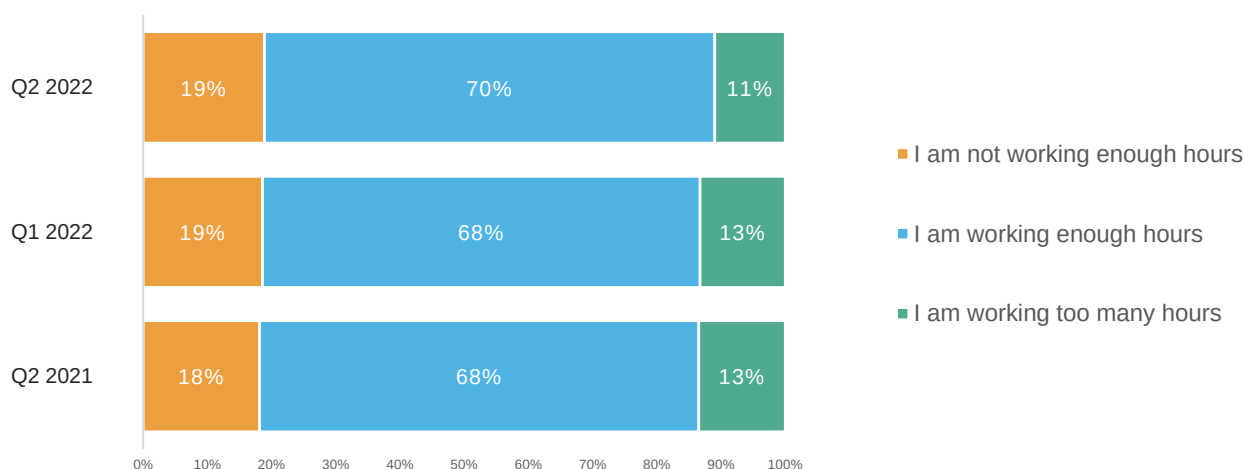
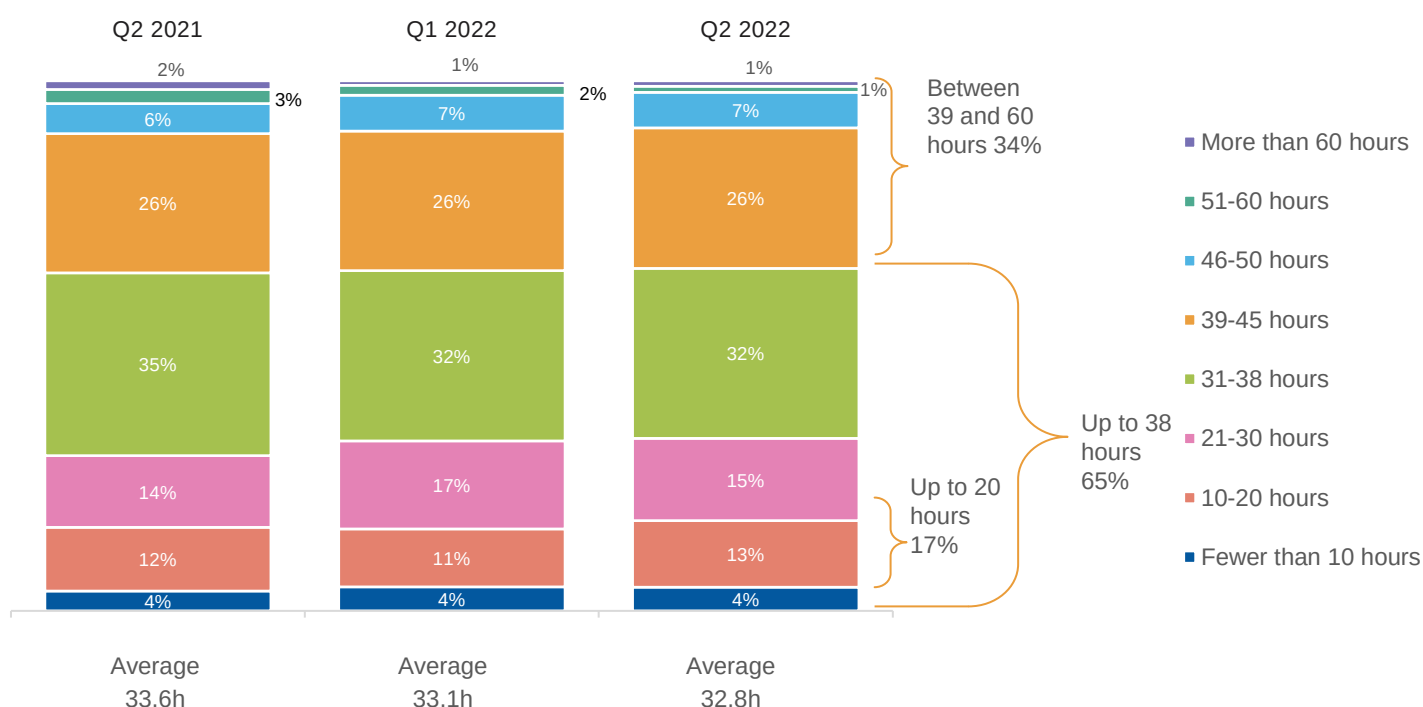
Hours Worked

On average Australian workers put in 32.8 hours a week during the second quarter of 2022 - down by 0.3h or 18 minutes every week since Q1 '22 (Q1 2022 33.1h).

Just under two thirds (65%) of Australian workers undertook up to 38 hours per week, while just over a third (34%) are working between 39 and 60 hours a week.

Fortunately, seven out of ten (70%) Australian employees believe they are working enough hours. However, a fifth (19%) say they aren't working enough, and 11 percent are working too many.

Employees in NSW/ACT and QLD are the most likely to feel as though they are working enough hours (NSW/ACT 73%, QLD 72%; cf. VIC 67%, NT/TAS 62%*, SA 64%, WA 70%).



Q1. Ordinarily, how many hours do you work per week? Australian Workers (n = 1037) // Q1 2022 (n = 1016) // Q2 (n = 1039)

Q2. Over the past three months (July to September 2021), which of the following statements best applies to you regarding the hours you worked? Consider your cost of living and your ability to meet those needs based on the number of hours you work. Australian Workers (n = 1037) // Q1 2022 (n = 1016) // Q2 (n = 1039)

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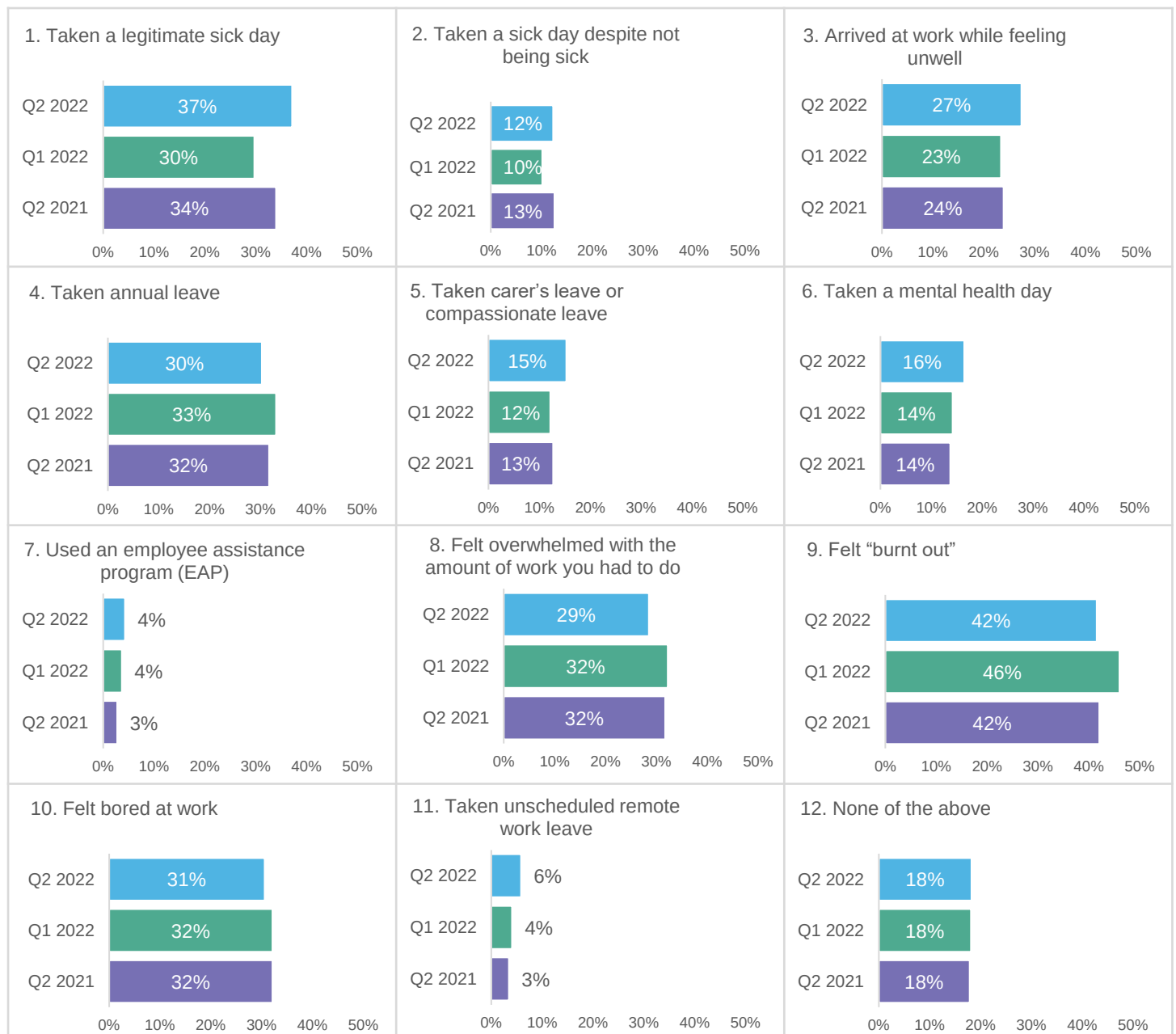
Worker Wellbeing

Winter and the cold & flu season may have taken hold in Australia, as those who have taken a sick day both legitimate and not, and those who have arrived at work feeling unwell have all increased (see figures 1,2,3) with the most noticeable increase being in those who have taken a legitimate sick day (Q2 2022 37%, Q1 2022 30%, seven percentage points increase, see figure 1.).

This is close to a 10 percent relative increase (9%) on last year's Q2 figure of 34% - which may be due to lockdowns and restrictions in some States at this

time last year. Unfortunately, over two out of five employees in Gen Z (42%) and a third of millennials (32%) are still arriving at work feeling unwell. This is much higher than the older generations (Gen X 22%, Baby Boomers 13%).

It is good to see that less Australians are feeling either burnt out (Q2 2022 42% cf. Q1 2022 46%, see figure 9.) or overwhelmed with the amount of work they had to do (Q2 2022 29%; cf. Q1 2022 32%, see figure 8.) compared to Q1 '22.



Q3. Over the past three months have you...? Australian Workers (n = 1037) // Q1 2022 (n = 1016) // Q2 (n = 1039)

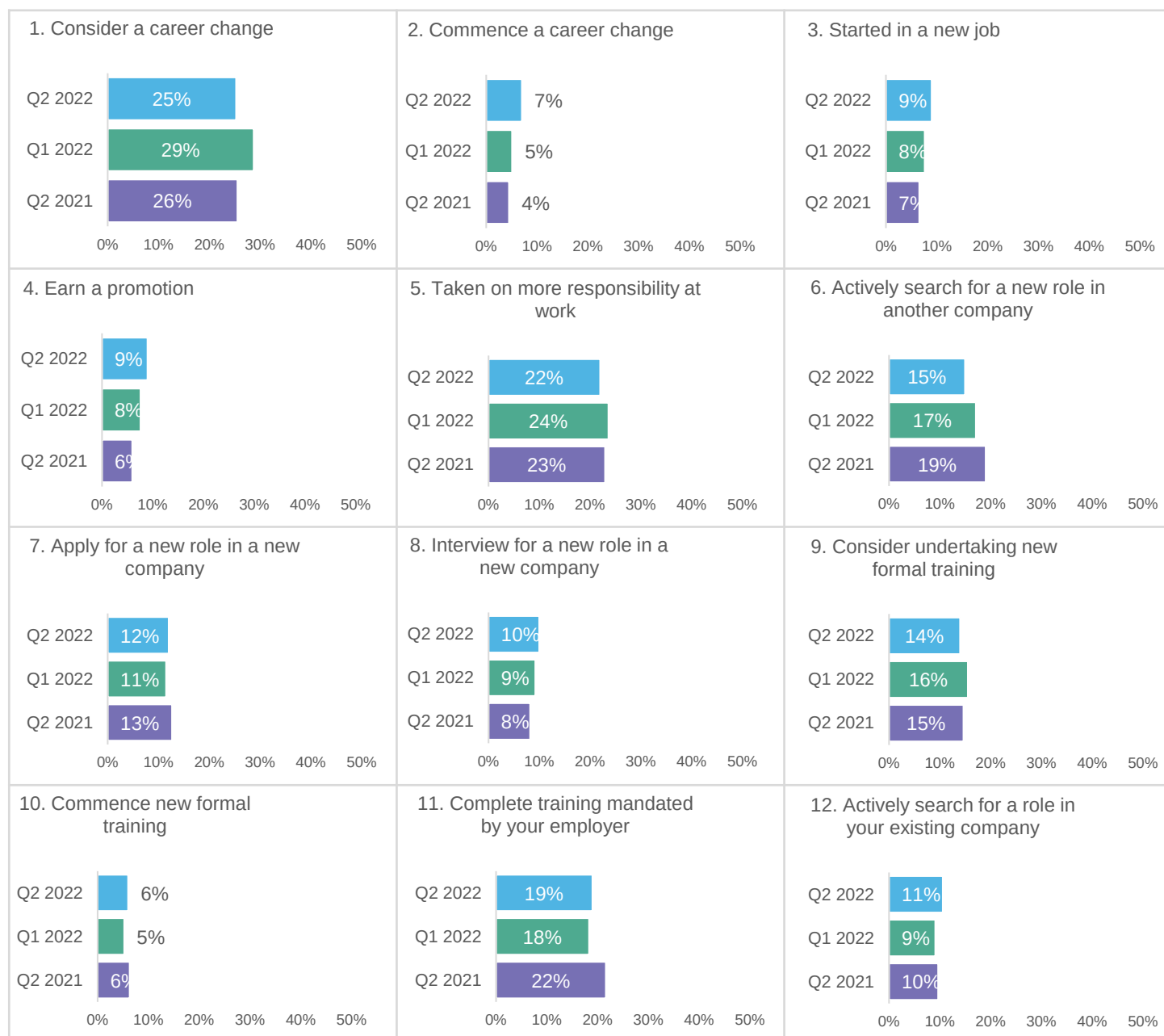
Worker Mobility

The Great Resignation may have started to die down in Australia - less employees are considering a career change (Q2 2022 25%; cf. Q1 2022 29%, see figure 1.) or actively searching for a new role in another company (Q2 2022 15%; cf. Q1 2022 17%, see figure 3.) .

only increased by one percentage point (Q2 2022 10%; cf. Q1 2022 9%, see figure 8.).

However, employees in Gen Z are around twice as likely to be interviewing for a new role with a new company than other generations (19% cf. Millennials 12%, Gen X 8%, Baby Boomers 5%).

Interviewing for a new role in a new company has



None of the above:

Q2 2022 31%, Q1 2022 30%, Q2 2021 33%

Q6. In the past three months, did you...? Australian Workers (n = 1037) // Q1 2022 (n = 1016) // Q2 (n = 1039)

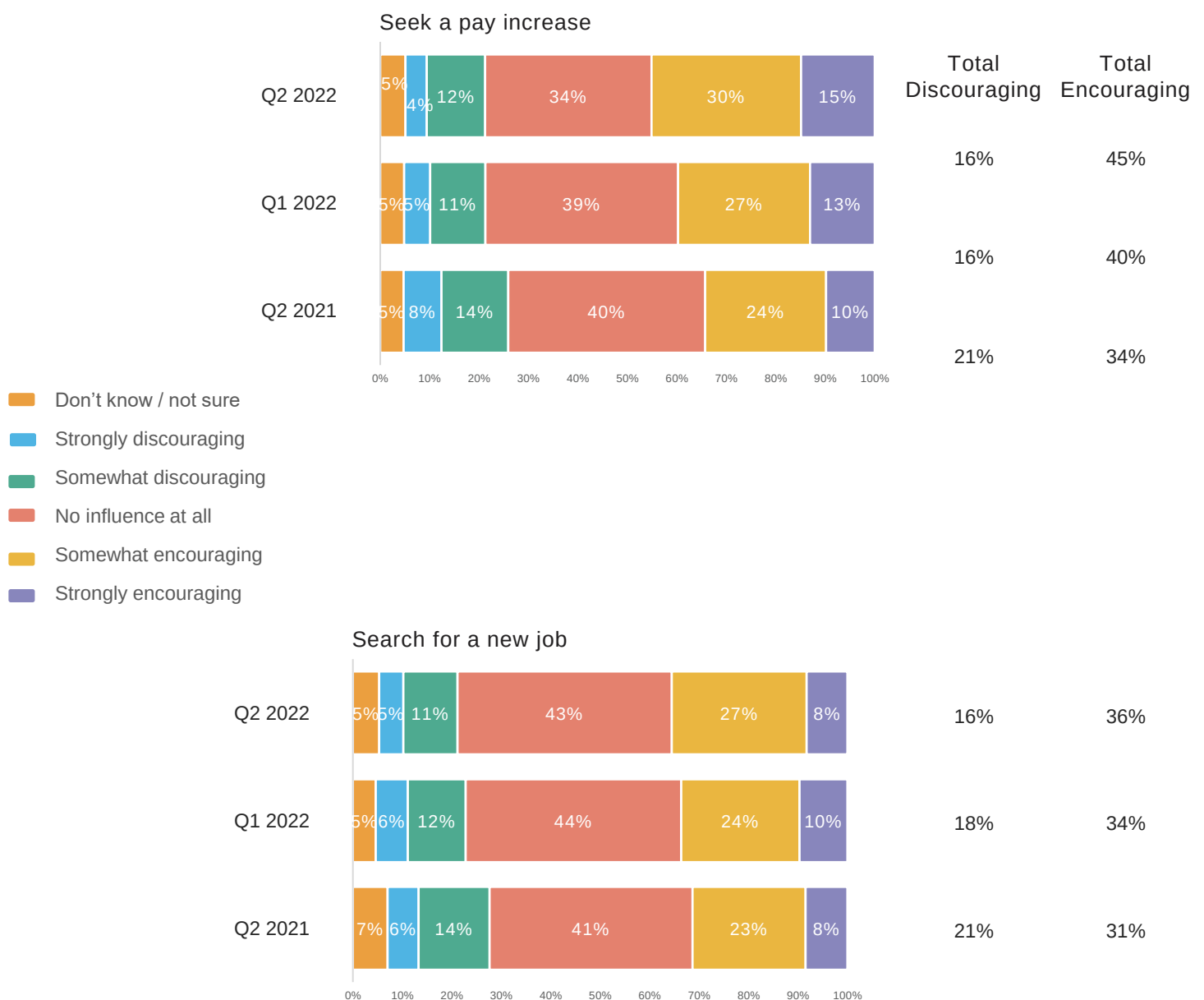
Economy Influencing Decision Making

Under half (45%) of Australian employees are encouraged by the economy to seek a pay increase. It has steadily increased over the last few quarters - improving by five percentage points since Q1 and has increased from being just over a third (34%) of employees in Q2 2021.

This is being driven by younger generations - almost two thirds (64%) of Gen Z and over half (55%) of Millennials are encouraged (cf. Gen X

37%, Baby Boomers 23%) to seek a pay increase.

While the increase isn't as drastic for employees searching for a new job, more employees are encouraged to do so - it has steadily increased to 36% in Q2 (cf. Q1 2022 34%, Q2 2021 31%) and this favours full-time employees (Full time 37%; cf. Part time 33%).



Q10. To what extent are current economic conditions encouraging or discouraging you to do the following?
Australian Workers (n = 1037) // Q1 2022 (n = 1016) // Q2 (n = 1039)

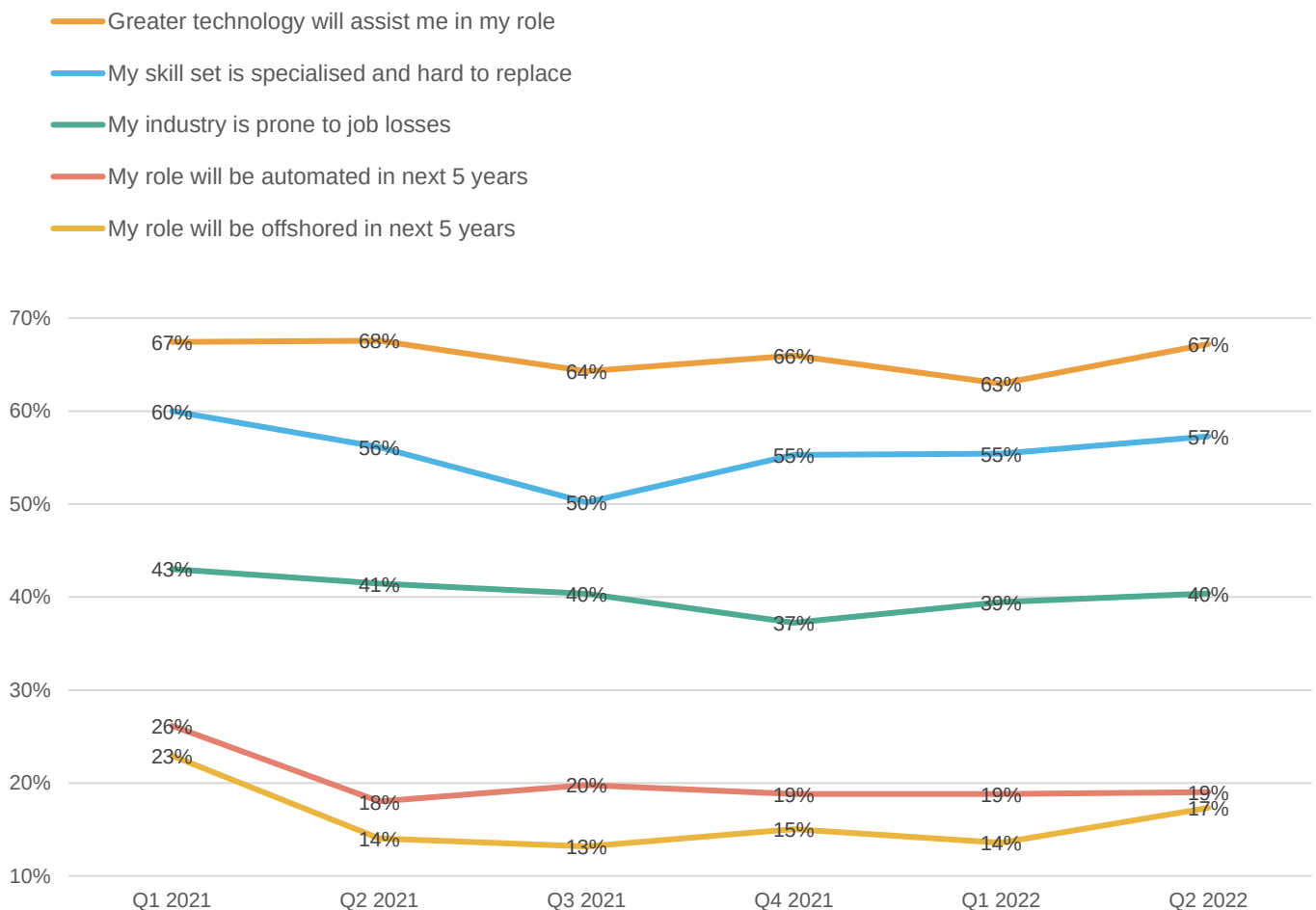
Future of Work

Australian employees' Q2 perception of the future of work is quite similar to Q1 with most factors remaining stable, except for believing that their role will be offshored and if greater technology will assist them in their role - both increased by around 3 percentage points (Offshored Q2 2022 17%; cf. Q1 2022 14%, Greater Technology Q2 2022 67%; cf. Q1 2022 63%).

Younger generations are more likely to agree that greater technology would assist them in their role -

at least 70% agree (Gen Z 70%, Millennials 73%; cf. Gen X 64%, Baby Boomers 54%). This sentiment is shared by almost three quarters of full-time employees (73%; cf. Part time 59%).

Employees from NSW/ACT are the most likely to believe their role will be offshored in the next five years at a quarter (24%; cf. VIC 15%, NT/TAS 20%*, QLD 10%, SA 18%, WA 17%).



Agree and Strongly Agree

Q5. To what extent do you agree or disagree with each of the following statements? Australian Workers (n = 1016)
// 2021 Q4 (n = 1010) // Q3 (n= 1052) // Q2 (n = 1039) // Q1 (n = 1088) // Q2 2022 (n = 1037)

*Indicative only due to small sample size

Employee Priorities

It appears Q2 is a similar story to Q1 for Australian employees' priorities when looking at new employers - this list has largely remained stable - except for a tie breaker between the stability of an organisation and flexible/remote working, these were tied for the 2nd most important factors.

A similar tie exists between the culture of the organisation and an easy/short commute with the commute taking 4th place.

While flexible/remote working is now 2nd and easy/short commute is 4th it is interesting to see that these have improved in their rank from this time last year (Flexible Q2 2021 Tied 3rd, Easy/short commute 5th) showing that convenience is possibly becoming more important to the Australian employee workforce.

	Q2 2022	Q1 2022	Q2 2021
Remuneration and bonus payments / incentives	1st	1st	1st
Stability of an organisation	3rd	Tied 2nd	2nd
Flexible/Remote working	2nd	Tied 2nd	Tied 3rd
Culture of the organisation	5th	Tied 4th	Tied 3rd
Easy and/or short commute	4th	Tied 4th	5th
Career development opportunities	6th	6th	6th
The ethical standing/reputation of the organisation and leadership	7th	7th	7th
Professional learning opportunities	8th	8th	8th
Wellbeing initiatives	9th	9th	9th
Diversity among employees/senior leadership team of the organisation	10th	10th	10th
Online or word-of-mouth employee reviews of the leadership	11th	11th	11th

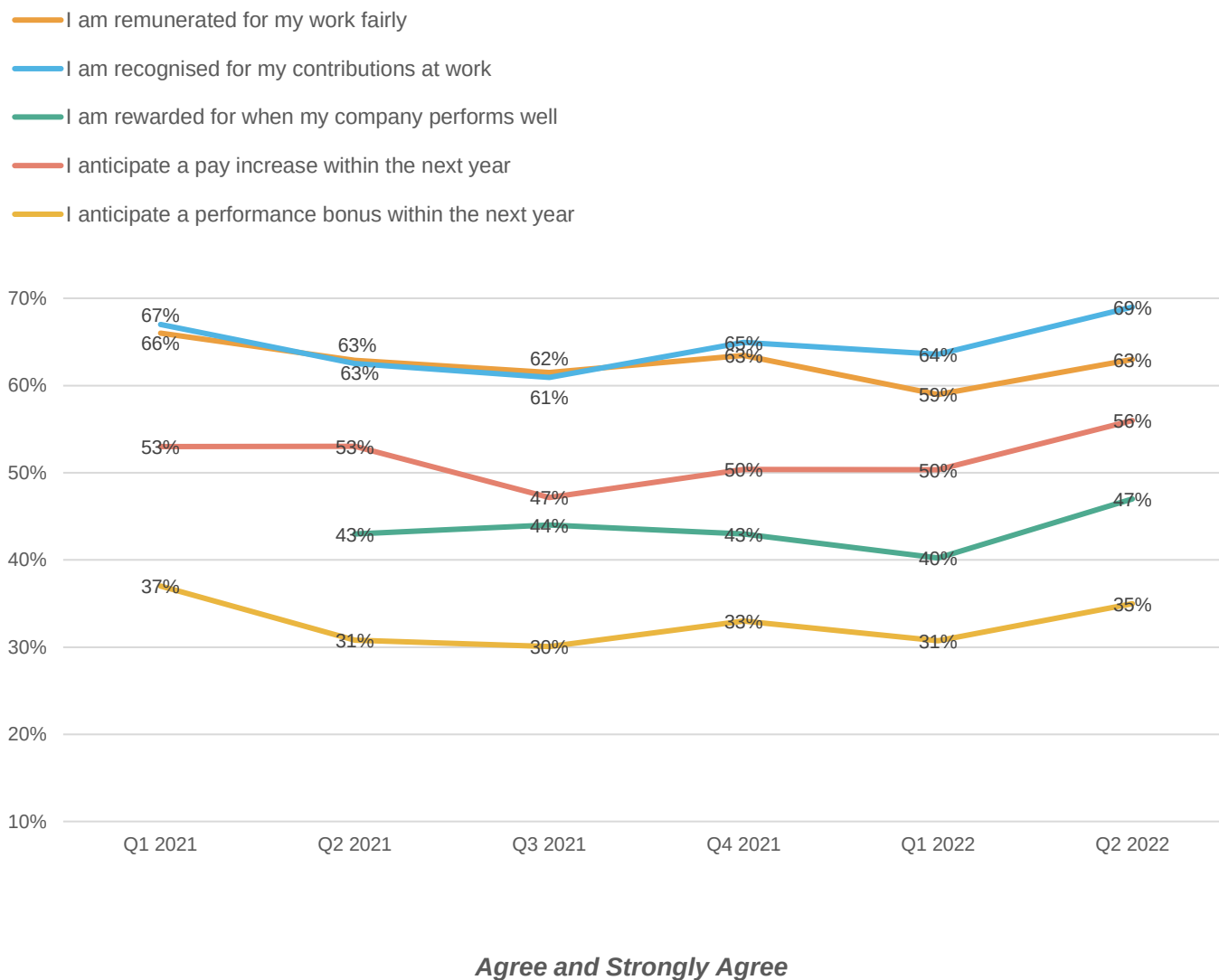
Q9. Thinking about choosing a new employer, rank your top five most important factors from the list below. Australian Workers (n = 1037) // Q1 2022 (n = 1016) // Q2 (n = 1039)

Recognition and Remuneration

It would seem Q2 has been a great quarter for Australian employees on this front. Each statement has increased by at least four percentage points, with the largest increases belonging to employees believing they are rewarded when their company performs well (7 percentage points, Q2 2022 47%; cf. Q1 2022 40%) and those anticipating a pay increase within the next year (6 percentage points, Q2 2022 56%; cf. Q1 2022 50%).

With the exception of “being remunerated fairly” these have all reached a new highest level of agreement (Recognised for contributions: 5 percentage points, Q2 2022 69%; cf. Q1 2022 64%, Remunerated fairly: 4 percentage points Q2 2022 63%; cf. Q1 2022 59%, Anticipate a performance bonus: 4 percentage points, Q2 2022 35%; cf. Q1 2022 31%).

Anticipating a performance bonus, being remunerated fairly and being recognised for your contributions at work have all grown by a sizeable amount.



Q7. To what extent do you agree or disagree with each of the following statements? Australian Workers (n = 1016)
// 2021 Q4 (n = 1010) // Q3 (n= 1052) // Q2 (n = 1039) // Q1 (n = 1088) // Q2 2022 (n = 1037)



Trending Concerns in Q2 2022

Cost of living pressures

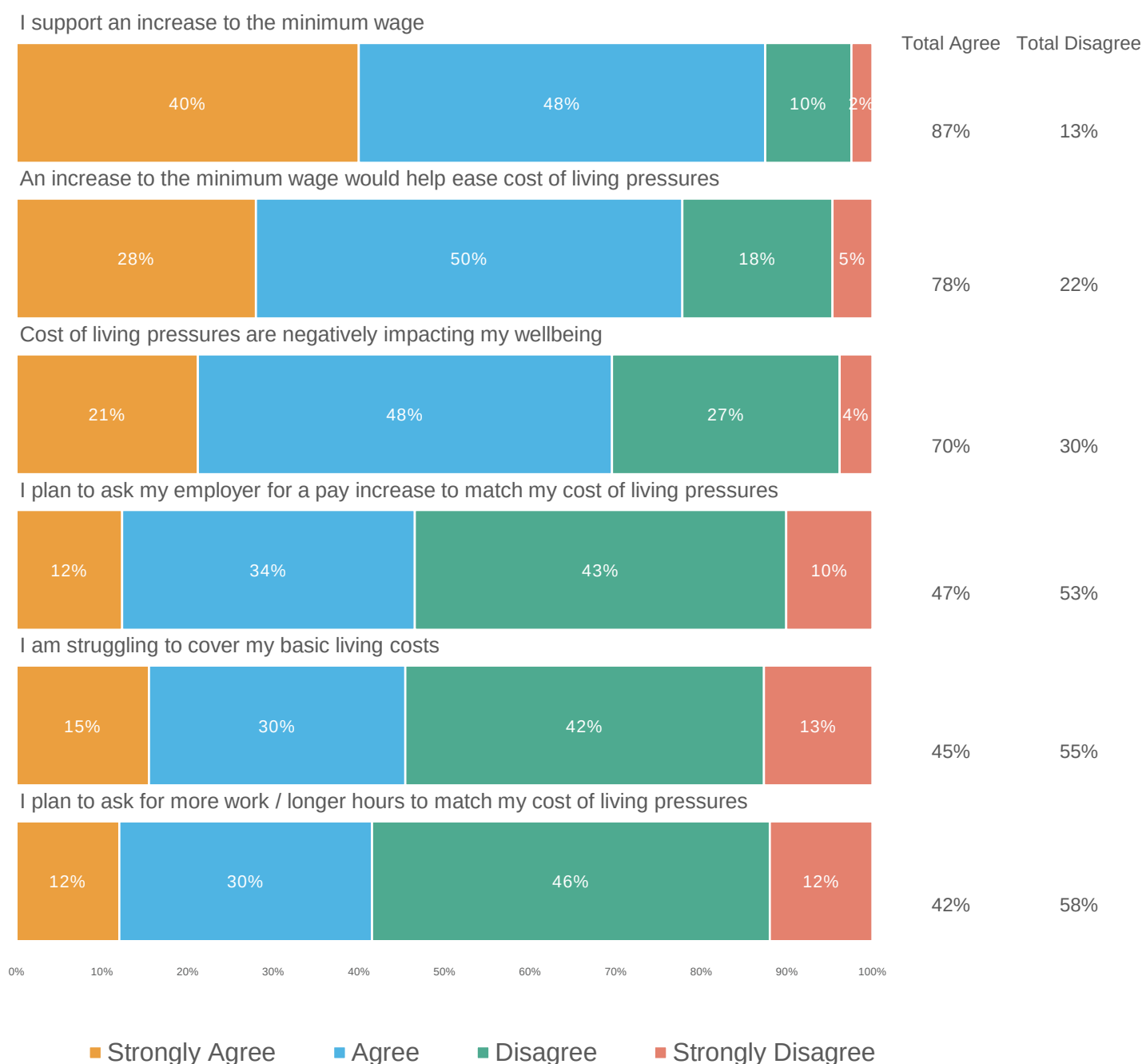
Cost of living pressures

Support for increasing the minimum wage is incredibly high among Australian workers as almost nine out of ten (87%) support the measure. Similarly, almost eight out of ten (78%) believe an increase to the minimum wage would help ease cost of living pressures

Unfortunately, seven out of ten (70%) employees

believe that cost of living pressures are negatively impacting their wellbeing - this is driven by younger generations. (Gen Z 82%, Millennials 77%; cf. Gen X 63%, Baby Boomers 54%)

Most concerning of all, close to half (45%) of employees in Australia feel that they are struggling in some way to cover their basic living costs.



Q11. Thinking about your plans for the remainder of 2022, how likely are you to...? Australian Workers (n = 1016) // 2021 Q4 (n = 1010) // Q2 2022 (n = 1037) *question wording changed (Thinking about your plans for 2022)

Cost of living pressures: Affordability

Petrol, housing and groceries are the top three things Australian employees are finding the hardest to afford in Q2 2022. A fifth (20%) ranked petrol as the number one hardest thing to afford currently, and almost a third (31%) ranked housing as the hardest.

Interestingly, Baby Boomers are the ones who struggle with petrol costs the most as a third (32%) ranked this first (cf. Gen Z 24%, Millennials 16%, Gen X 18%) and Millennials are the ones who struggle with housing the most (40%; cf. Gen Z 30%, Gen X 28%, Baby Boomers 19%).

	Overall	1	2	3	4	5
Petrol	1st	20%	18%	17%	12%	11%
Housing (i.e., rent or mortgage repayments)	Tied 2nd	31%	9%	8%	7%	8%
Groceries	Tied 2nd	10%	16%	15%	17%	14%
Electricity	4th	10%	16%	16%	17%	10%
Fresh food and produce (meat, seafood, fruit and vegetables, dairy)	5th	10%	13%	13%	13%	14%
Insurance (i.e., car, home, health etc.)	6th	8%	12%	10%	10%	14%
Household heating / cooling	7th	4%	7%	10%	12%	11%
Water bills	8th	2%	5%	5%	7%	9%
Clothing	9th	2%	2%	3%	4%	6%
Public transport	10th	2%	2%	3%	3%	4%

Q13. Thinking about basic cost of living, which five items are you finding it the hardest to afford? Australian workers (n = 1037)

Cost of living: Reduction in spending

Most workers would choose to reduce spending on clothing - as over a quarter (27%) ranked this first with almost a third (31%) of NSW/ACT employees ranking this first as well (cf. VIC 25%, NT/TAS 24%*, QLD 25%, SA 23%, WA 25%)

The rest of the top five is made up of groceries, fresh food, petrol and electricity - at least 10% of Australian employees ranked one of these items as

the thing they are going to try and reduce their spending on (Groceries 14%, Fresh food 13%, Petrol 13%, Electricity 10%).

While petrol might be the most difficult to afford (see previous slide) it is only ranked fourth on this list, so it appears to be a necessity for a lot of Australian workers.

	Overall	1	2	3	4	5
Clothing	1st	27%	12%	11%	8%	9%
Groceries	2nd	14%	16%	14%	15%	12%
Fresh food and produce (meat, seafood, fruit and vegetables, dairy)	3rd	10%	13%	14%	12%	14%
Petrol	4th	13%	11%	12%	11%	14%
Electricity	5th	10%	13%	11%	13%	12%
Household heating / cooling	6th	9%	13%	13%	11%	12%
Insurance (i.e., car, home, health etc.)	7th	6%	8%	7%	10%	9%
Water bills	8th	2%	6%	7%	8%	9%
Public transport	9th	4%	5%	7%	6%	6%
Housing (i.e., rent or mortgage repayments)	10th	5%	4%	5%	5%	4%

Q14. Thinking about cost of living, which five items are you most likely to try to reduce your spending on?? Australian Workers Q2 2022 (n = 1037)

*indicative only due to small sample size

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